GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1833
ANSWERED ON:10.03.2017
Growth Rate of Education Loans
Rajbhar Shri Hari Narayan

Will the Minister of FINANCE be pleased to state:

(a) whether growth rate of education loans of Public Sector Banks (PSBs) has declined during the last three years and the current year;
(b) if so, the details thereof, State/UT-wise including Uttar Pradesh and the reasons therefor;
(c) the details of criteria adopted by PSBs for disbursement of education loans along with amount disbursed as such loan during each of the last three years and the current year, bank and category-wise;
(d) whether the Government proposes to revise the current model under the education loan scheme; and
(e) if so, the details thereof and if not, the reasons therefor?

Answer

(MINISTER OF STATE IN THE MINISTRY OF FINANCE)

(a) and (b): The details regarding number of accounts, balance outstanding and percentage growth rate are given below.

Year
(as on 31st March No. of Accounts
(No. in lakh) Balance Outstanding
(Rs in crore) % growth rate (over previous year)
2013 25.90 52738.67
2014 26.81 57164.17 8.39
2015 26.71 59336.04 3.80
2016 24.35 59305.71 -0.05
Source: RBI

As per the information furnished by RBI, State-wise number of education loan accounts and amount outstanding (classified as priority sector advances) including State of Uttar Pradesh for the last three years and current year is given at Annex-I.
(c) The loans are sanctioned as per the guidelines laid down by Indian Banks' Association (IBA) from time to time. Presently, as per revised IBA Scheme, the eligibility criteria is as under:
â€¢ The student should be an Indian National.
â€¢ Should have secured admission to a higher education course in recognized institutions in India or abroad through Entrance Test/ Merit Based Selection process after completion of High School Certificate (HSC) (10 plus 2 or equivalent). However, entrance test or selection purely based on marks obtained in qualifying examination may not be the criterion for admission to some of the post graduate courses or research programmes. In such cases, banks will have to adopt appropriate criteria based on employability and reputation of the institution concerned.

Note: It would be in order for banks to consider a meritorious student (who qualifies for a seat under merit quota) eligible for loan under this scheme even if the student chooses to pursue a course under Management Quota.

As per data furnished by RBI, Bank-wise details of education loans disbursed by Public Sector Banks (classified as priority sector advances), for the last three years is given at Annex-II.
(d) and (e) The Model Education Loan Scheme is modified from time to time by Indian Banks' Association (IBA) keeping in view the needs of the students. The last such revision was done in August, 2015. Under the revised scheme, repayment period has been extended upto 15 years besides one year moratorium for repayment after completion of studies in all cases. There is also a provision for moratorium taking into account spells of unemployment/under-employment, say two or three times during the life cycle of the loan. Moratorium may also be provided for the incubation period if the student wants to take up a start-up venture after graduation.
In order to facilitate easy processing and disbursal of loans, Government has launched a web-based portal namely, Vidya Lakshmi Portal. Students can view, apply and track the education loan applications online by accessing the portal. Government of India has launched a Credit Guarantee Fund Scheme for Education Loans (CGFSEL) wherein collateral free loan is given upto Rs.7.5 lakh.
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Annex-I to reply of Lok Sabha UnStarred Question No. 1833 on Growth Rate of Education Loans for answer on 10th March, 2016
State-wise number of education loan accounts and amount outstanding in Rs "Crore"
31.03.2013 31.03.2014 31.03.2015 31.03.2016
State No. of Accounts Amount Outstanding No. of Accounts Amount Outstanding No. of Accounts Amount Outstanding No. of

Accounts	Amount Outstanding						
A & N Islands	568	13.60	585	15.04	590	16.41	447	14.09
Andhra Pradesh	197032	4698.58	190340	4987.76	170678	5443.33	103152	3411.63
Arunachal Pradesh	510	12.20	589	13.61	685	15.15	573	14.68
Assam	16394	391.20	16678	423.97	16467	522.10	15357	427.52
Bihar	88982	2107.09	99620	2725.34	102426	2949.60	100418	3079.90
Chandigarh	5181	160.44	4873	160.02	4633	166.72	4282	154.56
Chattisgarh	16015	308.59	16792	368.03	18010	406.23	17694	432.37
Dadra & Nagar Haveli	313	5.76	226	6.10	265	6.62	213	6.25
Daman & Diu	124	3.27	127	3.28	137	4.32	222	8.73
Delhi	34073	1018.29	32890	1028.53	31990	1411.55	30100	1042.21
Goa	3492	84.62	3342	90.94	3211	94.87	2995	100.56
Gujarat	44055	1271.78	45937	1182.63	45911	1160.67	44177	1349.63
Haryana	37254	839.38	37531	950.39	36401	953.83	35290	986.48
Himachal Pradesh	14171	286.85	14611	330.65	14929	353.67	14254	340.76
Jammu & Kashmir	10838	223.60	10935	241.26	11306	248.36	3232	94.87
Jharkhand	46018	1231.98	48849	1333.10	48423	1368.78	45761	1436.44
Karnataka	186623	3874.54	195169	4062.52	198709	4159.53	195419	4447.51
Kerala	336212	7353.91	341427	7975.57	331663	7788.53	276817	7335.42
Lakshadweep	20	0.37	29	0.62	31	0.81	36	0.89
Madhya Pradesh	80077	1586.77	83230	1739.40	81372	1813.45	76846	1830.38
Maharashtra	169491	4073.87	178587	4131.22	188673	4532.75	180538	4765.12
Manipur	1393	39.60	1433	40.74	1338	37.35	1092	34.95
Meghalaya	1687	39.80	2021	51.51	2184	52.26	2140	62.37
Mizoram	390	10.51	706	24.00	685	20.63	579	19.78
Nagaland	399	10.72	417	12.48	444	12.92	384	10.07
Orissa	69886	1665.24	68200	1733.98	65016	1737.16	59829	1575.01
Puducherry	14636	264.42	14808	292.18	14598	288.41	13271	272.86
Punjab	32005	812.68	32810	956.26	32438	1021.41	31477	1023.27
Rajasthan	58424	1318.15	59314	1353.26	57940	1355.02	55916	1407.16
Sikkim	409	10.83	440	12.03	444	12.30	453	12.91
Tamil Nadu	886752	13343.65	940990	15077.59	960202	16313.06	837508	14601.73
Telangana	0	0.00	0	0.00	0	0.00	68483	3253.03
Tripura	2280	45.89	2804	61.83	3271	76.10	3153	85.53
Uttarakhand	28401	665.44	26121	657.34	33811	878.14	30772	833.13
Uttar Pradesh	137393	3521.06	141095	3575.11	127478	3130.67	122344	3284.06
West Bengal	68547	1443.98	67834	1545.87	64957	983.31	60257	1549.80
TOTAL	2590045	52738.67	2681360	57164.17	2671316	59336.04	2435481	59305.71

Source RBI

Annex-II to reply of Lok Sabha Unstarred Question No. 1833 on "Growth Rate of Education Loans" for answer on 10th March , 2017

Bank-wise education loans disbursed (classified as priority sector advances)

(Rs in "Thousands")

Name of the Bank	2013-14	2014-15	2015-16
State Bank of Bikaner & Jaipur	855479	630342	775693
State Bank of Hyderabad	875584	1217320	1820578
State Bank of India	7386925	7220871	14450625
State Bank of Mysore	824700	1132406	1362196
State Bank of Patiala	672410	658986	491430
State Bank of Travancore	2610003	1886835	1252042
Allahabad Bank	1779870	1649317	1023718
Andhra Bank	3073890	4504114	6575202
Bank of Baroda	3506734	2413692	2310149
Bank of India	5431375	5801433	4841241
Bank of Maharashtra	1631006	775841	1189630
Bhartiya Mahila Bank Ltd.	0	26440	23412
Canara Bank	1162304	9150015	10066068
Central Bank of India	3138700	4982246	4737615
Corporation Bank	4164689	3006334	857405
Dena Bank	968364	786955	1013303
IDBI Bank Ltd.	1138802	1040466	2882734
Indian Bank	3725133	2834120	2088487
Indian Overseas Bank	6051034	5823249	4654762
Oriental Bank of Commerce	2185265	1648793	4456731
Punjab and Sind Bank	898673	512427	1062607
Punjab National Bank	6014838	5596306	6674830
Syndicate Bank	3125989	2932516	5390109
UCO Bank	2611481	2466765	2304969

Union Bank of India 3796491 4092472 3979842
United Bank of India 1012387 856758 818579
Vijaya Bank 1957870 2543525 3381826
Total Public Sector Banks 70599996 76190544 90485781
Source: RBI